

Article 4. Gas and Oil Permits

4-401 WELL DEFINED. A well or wells for the purpose of this Article shall mean any well drilled, or to be drilled, or used, for the production of petroleum, natural gas or the disposal of waste liquids or gases produced therefrom. (Ord. 1502, Sec. 1)

4-402 PERMIT. It shall be unlawful for any person, firm, or corporation to drill or commence operations for the drilling of a well for oil and/or gas purposes at any place within the City Limits of the City of Gardner, Kansas without first having obtained from the Governing Body of said City, a permit for the commencement of such operations, and for the drilling of such well. (Ord. 1502, Sec. 1)

4-403 PERMIT FEE. The fee for a permit to conduct oil or gas well drilling operations within the City Limits of Gardner, Kansas, shall be \$150.00 per well. (Ord. 1502, Sec. 1)

4-404 LICENSE FEE. Every person, firm, or corporation, authorized to conduct oil or gas well operations in this City, shall obtain a license to operate each well drilled. The fee for each well shall be \$25.00 annually. The applicant for such permit or license, shall, at the time of making application therefore, deposit with the City Clerk the above stated fees. In the event the permit or license is granted by the Governing Body said fees shall be retained by the City, but if such permit or license is denied, said fee shall be returned to the applicant. (Ord. 1502, Sec. 1)

4-405 PERMIT AND LICENSE PROCEDURE; EVIDENCE TO BE PRESENTED BY APPLICANT. No permit or license shall be granted by the Governing Body until the applicant therefor shall have submitted satisfactory evidence as follows: (Ord. 1502, Sec. 1)

405.1 The applicant shall file an application for oil and/or gas well drilling on forms furnished by the City. The application shall include and be accompanied by the following:

- A. The names, addresses, and phone numbers of the applicant, the operator and owner.
- B. A location map showing the lease and its relationship to existing subdivisions, community facilities, public ground, and commercial areas.
- C. A site plan of the drilling area or some lesser area identified by the applicant showing all structures within three hundred (300) feet of the drilling area or the lesser area including:
 1. The location, use, and width of all easements for the lease;
 2. The location of lots, streets, alleys, easements and rights of way;
 3. The location of any waterway;

4. Written consent of the land owner on which said well is proposed to be located;
5. Statements of Assurance for compliance with all Federal, State and local Laws;
6. Proof of compliance with K.S.A. Chapter 55-128;
7. A Statement of Safety for operations and equipment;
8. Such other information which the Director of Public Works deems essential to be a determination regarding the issuance of a license and which information request is consistent with the intent purpose of the Article;
9. A Certificate of Insurance in conformity with Section 4-415;
10. Cash or corporate surety bond(s) in conformity with Section 4-416;
11. The intended exploratory well location(s) in conformity with Section 4-405;
12. The permit/license fee in conformity with Sections 4-403 and 4-404;
13. A written drilling plan providing adequate protection to all persons who might be concerned with such drilling operations, including a reasonable and adequate plan for the handling of sludge, base sediment and salt water that may be produced in connection with the drilling and operation of said well together with facilities for the handling of production to the end that it may not be necessary to store oil in any populated area;
14. A written assurance that drilling rigs employed in the drilling of oil or gas wells within the City are equipped with blow out preventors at all times that they are operating.

4-406 APPLICATION ACCEPTANCE. The application shall be considered officially filed after it has been examined by the Director of Public Works and found to contain the information required by this Article for proper review. Lack of complete information shall be deemed sufficient cause for refusing acceptance. (Ord. 1502, Sec. 1)

4-407 APPLICATION REVIEW PROCESS. The Director of Public Works shall transmit for review and comment, copies of the proposed drilling or production wells and appurtenances, accompanied by the pertinent information to the Governing Body, or other appropriate agencies. All objections, recommendations, or comments shall be filed within five (5) working days after the submittal date unless an extension is requested and granted by the City Superintendent. (Ord. 1502, Sec. 1)

4-408 APPROVAL/DENIAL. After acceptance of the application by the Director of Public Works and subsequent to review by the Governing Body or appropriate departments the Governing Body shall address the application at a regular or special meeting of the City Council. The application shall be approved or denied during said meeting. Should any deficiencies be discovered or additional information be required the Governing Body may table the application until the next regularly scheduled or special meeting of the City Council. When a permit or license is denied the denial shall be placed in writing and delivered to the applicant by hand or regular United States Mail.

Approval of any permit and/or license is limited to the well(s) on which the required information is provided and approved.

Approval of any permit and/or license shall not be construed nor is intended to imply that associated activities or industries, such as refineries, dehydrating or absorption plants, are permissible.

Approval of any permit and/or license shall not be construed nor is intended to imply that storage of equipment is allowed.

Denial of any permit and/or license shall prohibit any drilling or production related activities from being initiated or carried out. (Ord. 1502, Sec. 1)

4-409 REQUIREMENTS AND INSPECTIONS.

- 409.1 Completion Report - Within ten (10) days after completion of the well, the permittee or licensee shall file a report indicating the status of the well as being oil, gas, dry, injection, or disposal with the City on a form furnished by the City.
- 409.2 Inspections Required - The City Superintendent shall in addition to responding to complaints about wells perform the following inspection to determine conformance with the approved plans and conditions and requirements of the Article, and to determine whether additional requirements are necessary to protect the public health or safety:
 - A. An inspection during drilling operations;
 - B. An inspection after the well is completed and the production equipment, including wellhead, pipes, tanks, dikes, are being or have been installed but before production has commenced;
 - C. An annual inspection; and
 - D. An inspection following abandonment of the well.
- 409.3 Authorization to Enter - The Director of Public Works is authorized and directed to enter lands on which licenses for oil and/or gas have been granted for the purpose of carrying out inspections, routine or non-routine, and to perform any work or act required by the Article. Such entry shall be for inspection or performance or work, except in case of emergency, or if

the consent of the permittee has otherwise been obtained. (Ord. 1502, Sec. 1)

4-410 FIRE PREVENTION AND PROTECTION. The licensee shall maintain a fire prevention plan which conforms to local, State and Federal regulations governing the drilling for oil or gas and for the temporary storage of oil in tank batteries. Said plan shall be designed to control and eliminate any fire or risk of fire as promptly as possible. (Ord. 1502, Sec. 1)

4-411 PUMPING-FENCES. All producing oil wells with the City shall be equipped with electric pumping equipment and all producing wells that are located in said City shall have such pumping equipment enclosed or fences not less than six (6) feet in height and provided with gates equipped with locks which shall be locked when not attended. Said fencing shall be sufficient to prevent persons who might be injured thereby from gaining access to such pumping equipment. Gas wells shall be enclosed or fenced to prevent persons from gaining access to them. (Ord. 1502, Sec. 1)

4-412 STORAGE OF OIL. It shall be unlawful for any persons to place or maintain any tank or tank battery for the temporary storage of oil within 200 feet of any existing structure other than oil related structures unless a distance of less than 200 feet is approved by the Governing Body of the City. All such tanks or tank batteries shall be protected by dikes sufficient in height to prevent oil from escaping in the event of the leaking or bursting of said tanks and said dikes shall have at least one foot free board above the maximum tank volume capacity. The Governing Body may require screening around the tank or tank battery. (Ord. 1531, Sec. 1)

4-413 HOURS OF DRILLING. It shall be unlawful for any person to operate any oil or gas well drilling machinery in the City between the hours of 9:00 P.M. and 6:00 A.M., without the consent of adjoining residents whose residences are within 1,000 feet. (Ord. 1502, Sec. 1)

4-414 USE OF CITY STREETS.

414.1 It shall be unlawful for any licensee or permittee to use City residential streets not designated for truck traffic to enter or gain access to drilling sites without having submitted to the Director of Public Works the proposed route to be used. The Director of Public Works shall examine the proposed route(s) to determine safety, load limit or possible damage which may occur. The Director of Public Works shall submit his/her recommendations to the City Council with the time limit established in Section 4-407 to be approved by the City Council.

414.2 Should access to drilling site(s) from City streets be necessary, permittee and licensee shall, at no cost to the City, use every effort, including the laying of a gravel access way from the edge of the street or roadway to the drilling site(s), to prevent mud or debris from being deposited on City streets, as prohibited by City Ordinance 1137, by vehicles or equipment employed by the permittee, licensee, contractors or subcontractors engaged in the drilling operation. (Ord. 1502, Sec. 1)

4-415 INSURANCE OF OPERATOR. No such license shall be granted by the Governing Body and no oil or gas well shall be drilled or operated within the City until the operator shall have filed with the City Clerk of said City a certification of insurance, naming the City of Gardner, Kansas, as a co-insured, insuring the owner and operator against injury to persons or damage to property arising out of an act or omission of the owner, operator, their agents, employees, or independent contractors, resulting from the drilling or production of the proposed well or any structure, machinery, equipment, pipeline, or appurtenances used therewith, in a minimum amount of \$500,000 of comprehensive general liability and \$500,000 of motor vehicle liability. The policies and certificate shall name the drilling company, owner, operator, including their agents and employees, and the City of Gardner, Kansas as an additional insured and shall provide that 30 days advance or written notice be filed with the City prior to any change in or cancellation of the policies of insurance. The general liability insurance shall be written in comprehensive form and shall include coverage for premises-operations, explosion and collapse hazard, underground hazard, products/completed operations hazard, contractual insurance, broad form property damage, independent contractors, personal injury, underground equipment and resources, blow out and cratering hazard, and contamination or pollution hazard when sudden and accidental. The motor vehicle liability shall be written comprehensive form and shall include coverage for owned, hired, and non-owned vehicles. Evidence of such insurance shall be kept on file with the City Clerk of said City continuously so long as any such well or wells are being drilled or operated within said City. (Ord. 1531, Sec. 2)

4-416 BOND OR DEPOSIT REQUIRED. A good and sufficient surety bond, signed by the applicant for a drilling permit and operating license hereunder and by a corporate surety authorized to do business in the State, or a cash deposit in such amount as deemed sufficient by the City Council, but in no event less than two thousand dollars shall be tendered to the Council and approved by the City Clerk prior to the issuance of a permit pursuant to the terms of this Article, conditioned upon faithful compliance with the terms and conditions of this Article, and further conditioned upon saving and holding the City free and harmless from any damage resulting to said City as a result of drilling, pumping, repairing or other operations by the permittee or licensee, the laying of pipelines, the setting of tanks, or as a result of moving machinery and equipment over any street in the City; provided, that the permittee, licensee or their assigns shall pay the annual premium due upon said surety bond within ten days before expiration of each year and file a receipt therefor in the office of the City Clerk. (Ord. 1502, Sec. 1)

4-417 GOVERNING BODY MAY MAKE ADDITIONAL REQUIREMENTS. At the time of the granting of any permit or license under the provisions of this Article, the Governing Body may make additional requirements as it may deem necessary for the protection and safety of persons and property in the territory likely to be affected by the drilling or operation of said well. (Ord. 1502, Sec. 1)

4-418 DRILLING LOCATIONS. Drilling for oil or gas within the City Limits shall occur only on land zoned "Agricultural" at the time of application for a permit. In no case shall drilling occur within 25 feet of any property line for property zoned other than agricultural. (Ord. 1502, Sec. 1)

4-419 WASTEFLUID DISPOSAL. It shall be unlawful for any person, firm, or corporation permitted or licensed under this Article to maintain a drilling operation within the City to dispose of waste fluids or saltwater from the drilling operation into natural or man made

water ways or the sanitary sewer system of the City. All drilling wastes shall be removed from the site storage facilities within 30 days of completion of the well. (Ord. 1502, Sec. 1)

4-420 ABANDONMENT. To insure that all land used for drilling and production is restored to a condition which will not inhibit or adversely affect the health, safety, and welfare of the community, the following requirements shall be applicable and, except as provided, are in addition to K.S.A. 55-128 and 132 et. seq.: K.S.A. 82-303 through 307, and any amendments thereto. (Ord. 1502, Sec. 1)

- 420.1 Removal - All drilling equipment incidental to well's production shall be removed from a lease within thirty (30) days after cessation of drilling activity for which a permit was sought and approved under this Article. All production related equipment shall be removed from a lease within sixty (60) days after production of a well has ceased, unless such equipment is actively in use for production activities of the lease or is being installed with due diligence for use on the lease.
- 420.2 Plugging - Any well which is to be abandoned shall be plugged by cementing the well from bottom to a depth of six (6) feet below grade after the oil well casing is removed or cut to six (6) feet below grade. The City shall receive at least 24 hours prior notice of the time and place any well is to be plugged.
- 420.3 Restoration - All land which is disturbed during drilling or production shall be returned as near as practicable to original grade and stabilized as soon as practical to prevent soil erosion and any reserve pit shall be drained and backfilled prior to being stabilized.
- 420.4 Time - Any and all wells shall be in production or abandoned within one hundred eighty (180) days from the time drilling commences.
- 420.5 All plugged wells or test holes shall be accurately located by survey on a plat of survey prepared by a registered surveyor and shall be turned into the City no later than 90 days after capping and/or abandonment.

4-421 REVOCATION. The violation of or breach of any of the terms or conditions of this Article, or the ceasing to exist of any of the conditions precedent listed in this Article, or the breach of any of the terms or conditions of any permit/license issued pursuant hereto, shall be grounds for the revocation of any permit/license issued hereunder. Such revocation shall take place only upon hearing by the Governing Body, of which hearing the permittee/licensee shall be given at least ten (10) days written notice by mail or personal delivery. Mailing of such notice to the last known mailing address of a permittee/licensee shall satisfy the requirements of the notice made in this section. (Ord. 1502, Sec. 1)

4-422 SAVING CLAUSE. If any section, subsection, sentence, clause or other part of this Article shall be held to be invalid or inoperative for any reason, such invalidity shall not be deemed to affect the remaining provisions of this Article. (Ord. 1502, Sec. 1)

4-423 PENALTY. Any person, firm, or corporation hereafter drilling or commencing operations for the drilling of any oil or gas well in violation of the provisions of this Article, shall upon conviction hereof, be fined an amount not to exceed \$500.00 or imprisonment

not to exceed 30 days or by both such fine and imprisonment. Each day during or on which a violation occurs or continues shall constitute a separate offense. (Ord. 1502, Sec. 1)